
Washington's Tax Structure Today

2nd Edition

Senate Ways and Means

January 23, 2002

Presentation Outline

- ◆ Features of Washington's tax structure.
- ◆ Growth in taxes compared to the economy.
- ◆ Washington compared to other states.

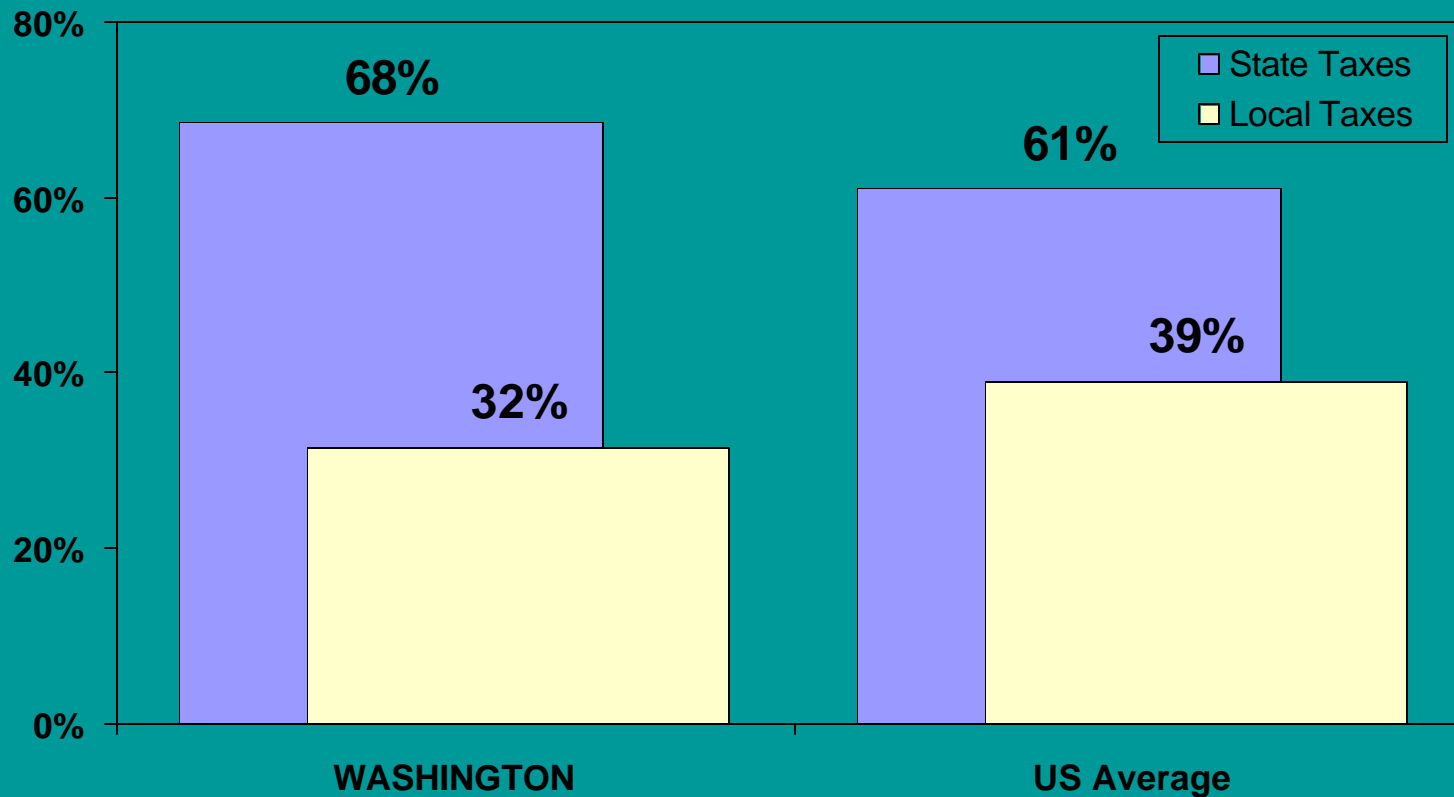
Major Tax Revenue Sources

87% of General Fund-State revenues are from:

- ◆ Sales and Use Tax (56%)
- ◆ Business and Occupation (B&O) Tax (19%)
- ◆ Property Tax (12%)

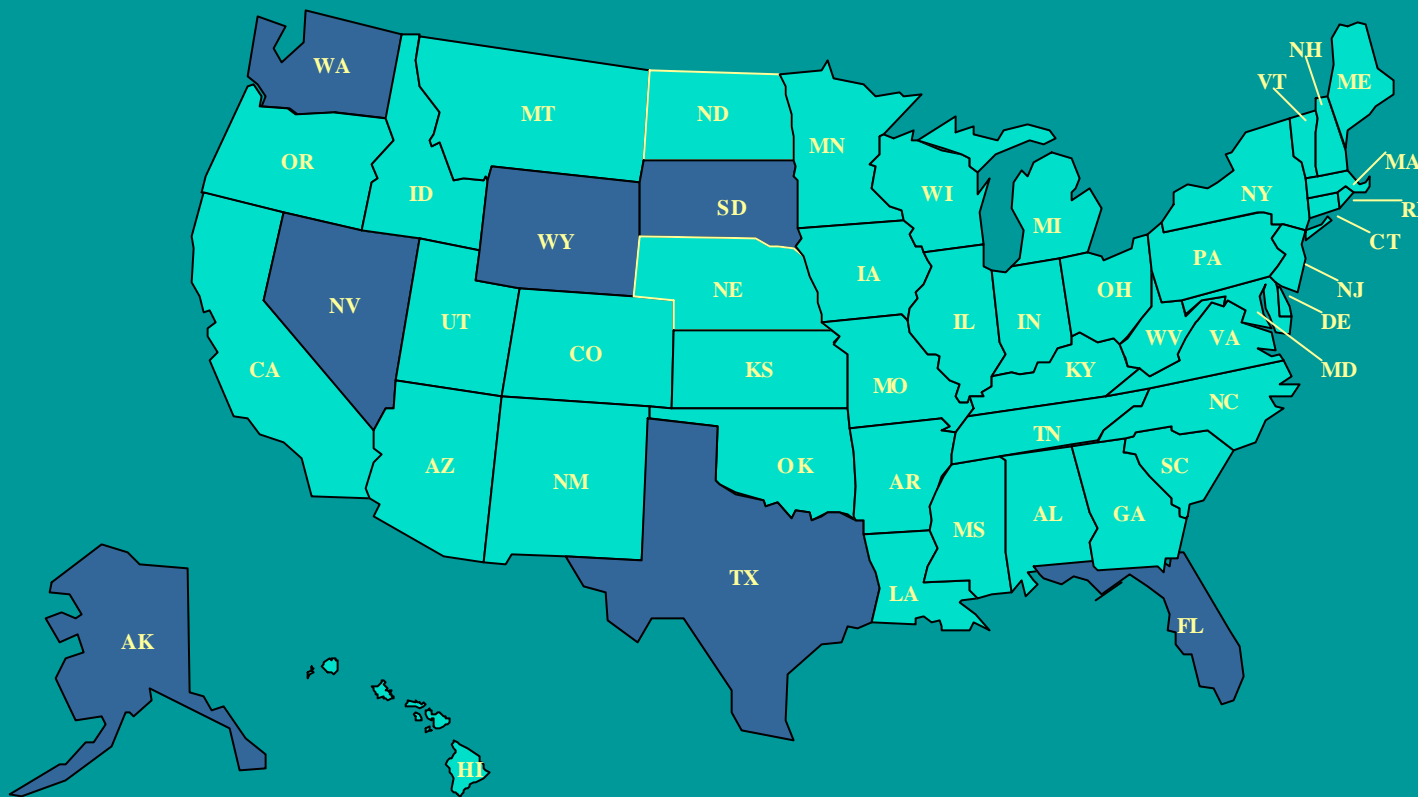
Washington is more dependent on state taxes and less dependent on local taxes than most states.

(Source: Comparative State and Local Taxes, 1999 DOR)



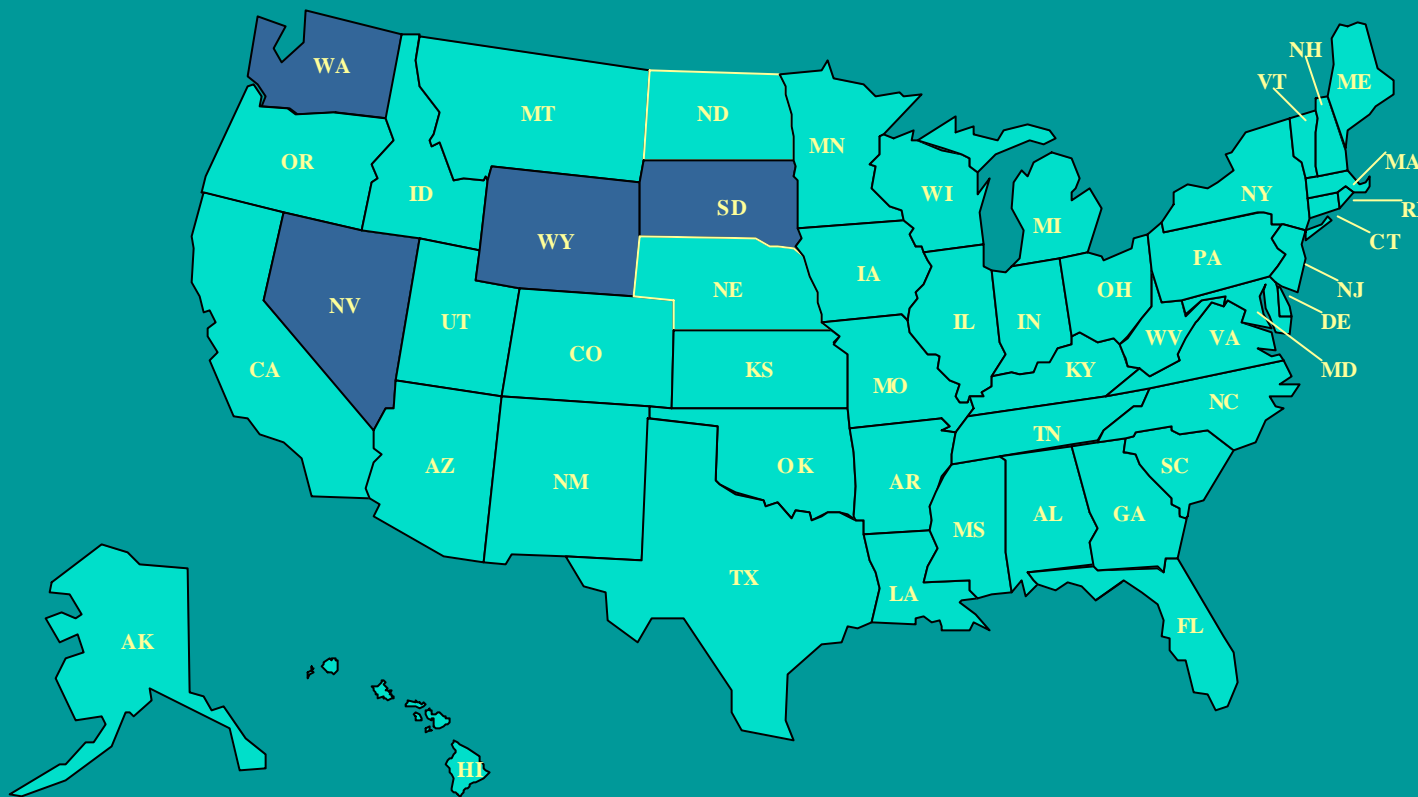
Washington is one of seven states with a sales tax & no personal net income tax.

(Map source: DOR, 2001)

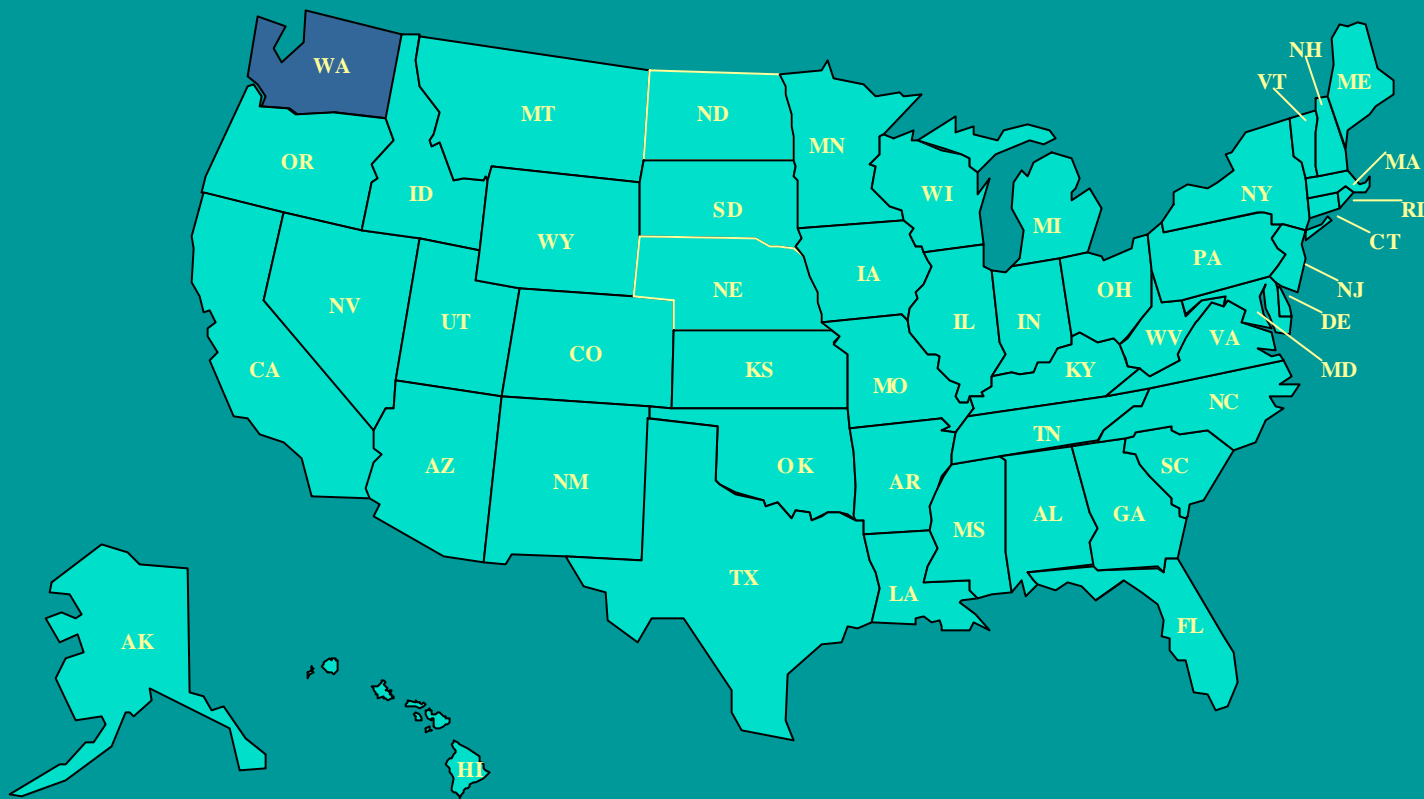


Washington is one of four states with a sales tax & no personal or corporate net income tax.

(Map source: DOR, 2001)

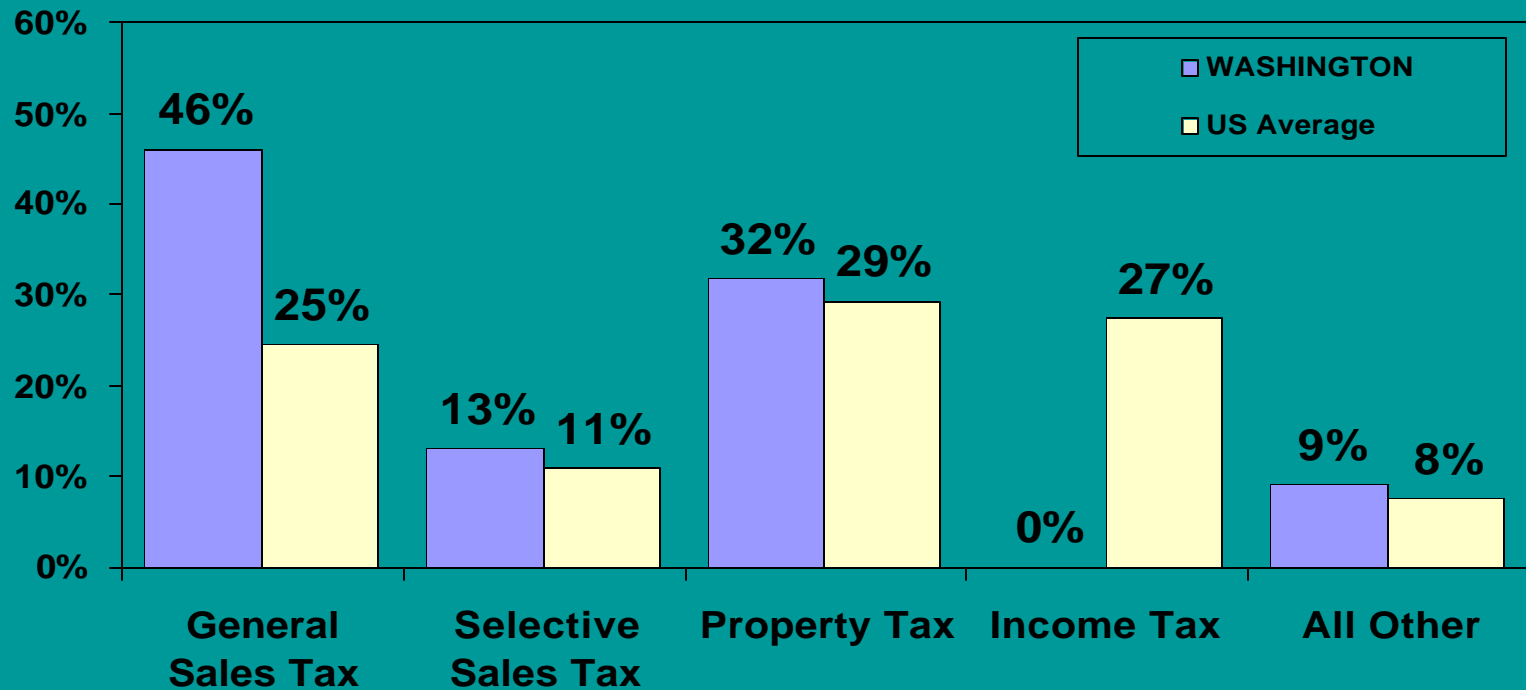


Washington is the only state with a tax on gross receipts (B&O tax). (Map source: DOR, 2001)

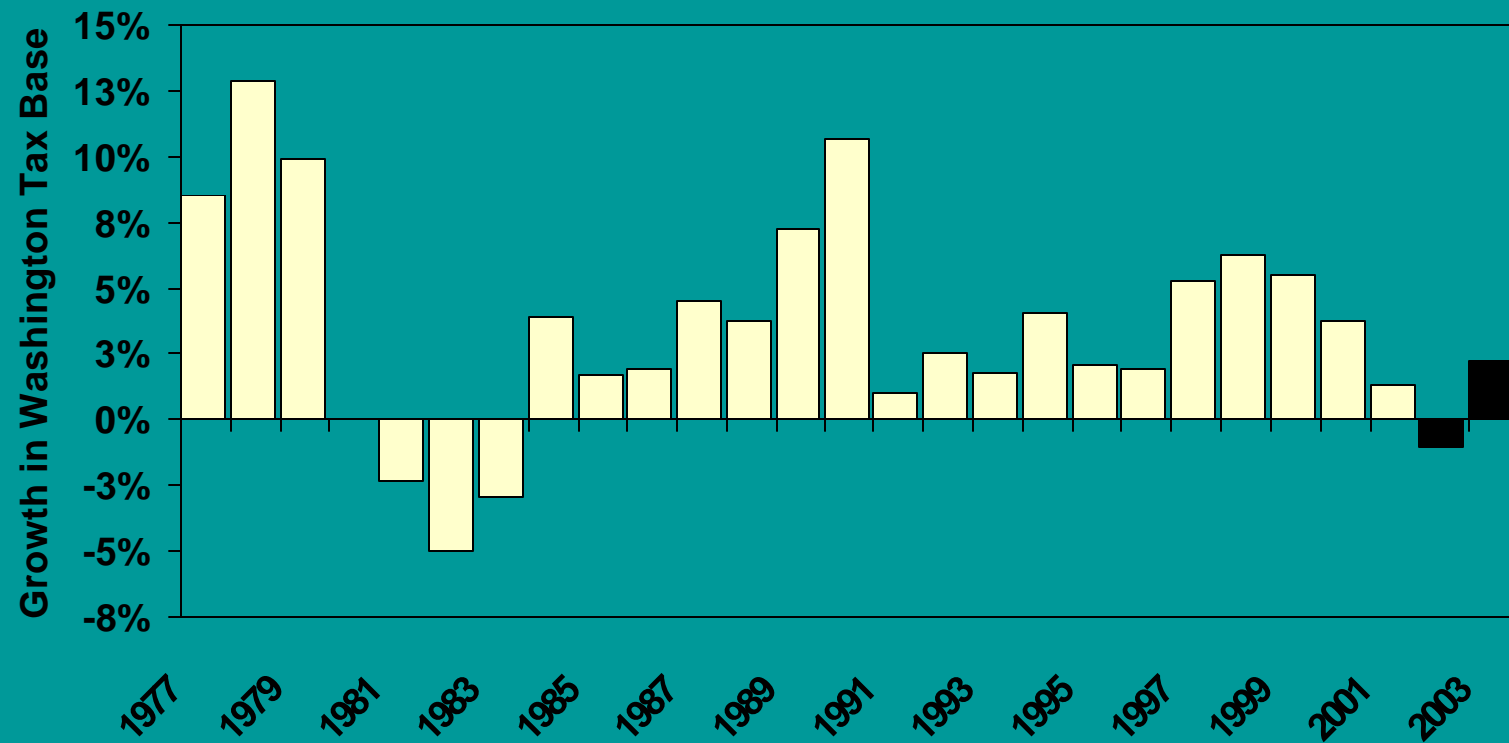


Washington is highly dependent on its general sales tax.

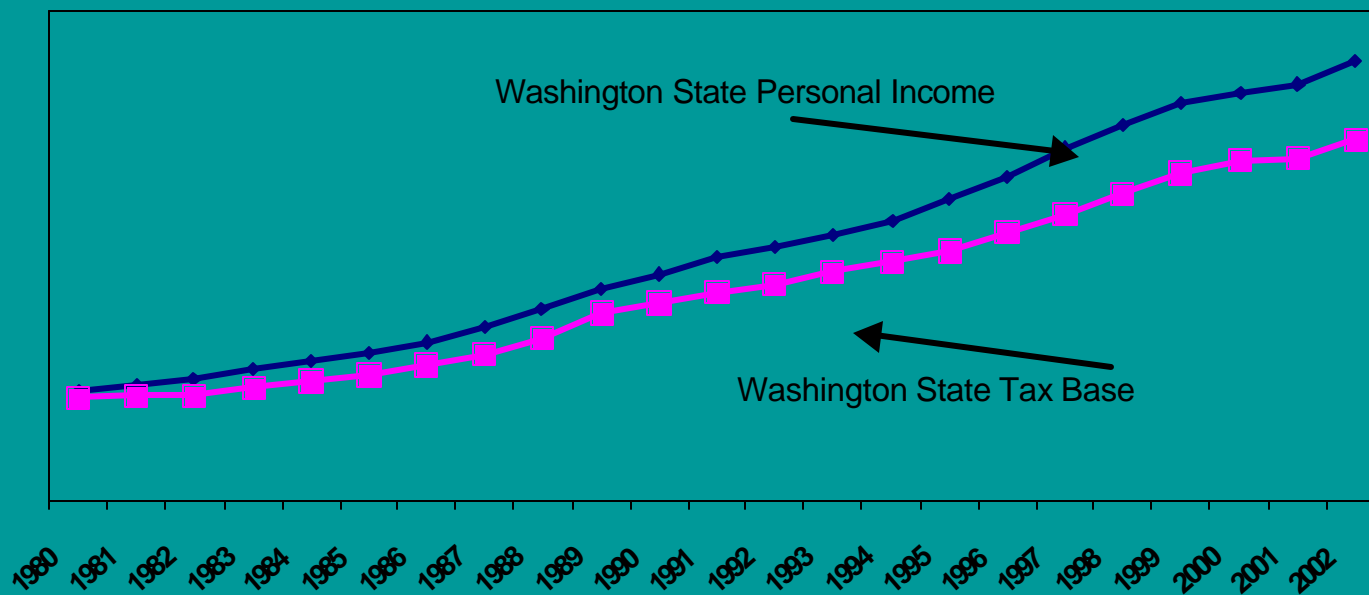
(Source: Comparative State and Local Taxes, 1999 DOR)



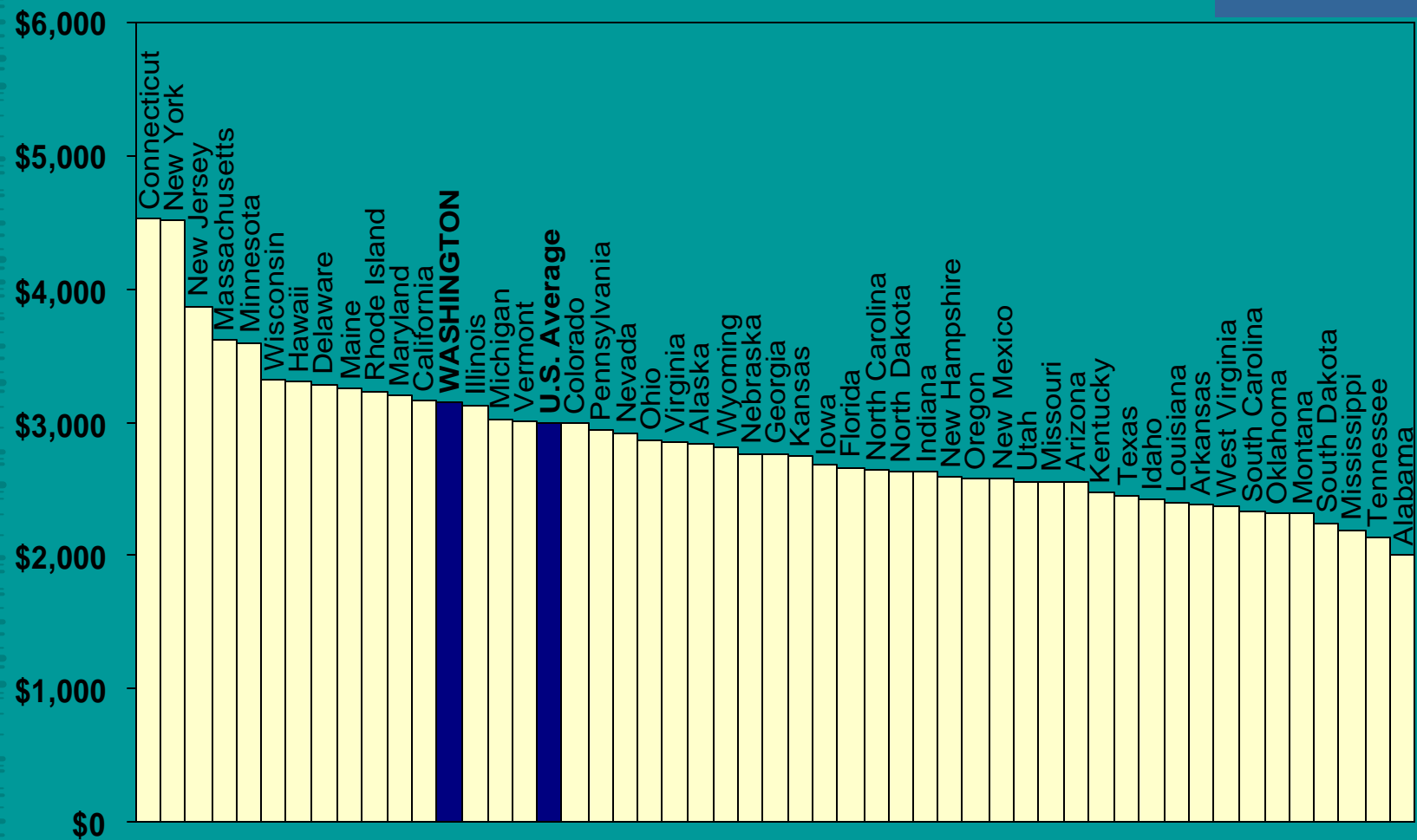
The tax base is especially volatile, growing very quickly in good economic times but falling quickly during bad times.



The combined state and local tax base tends to grow somewhat more slowly than the economy.

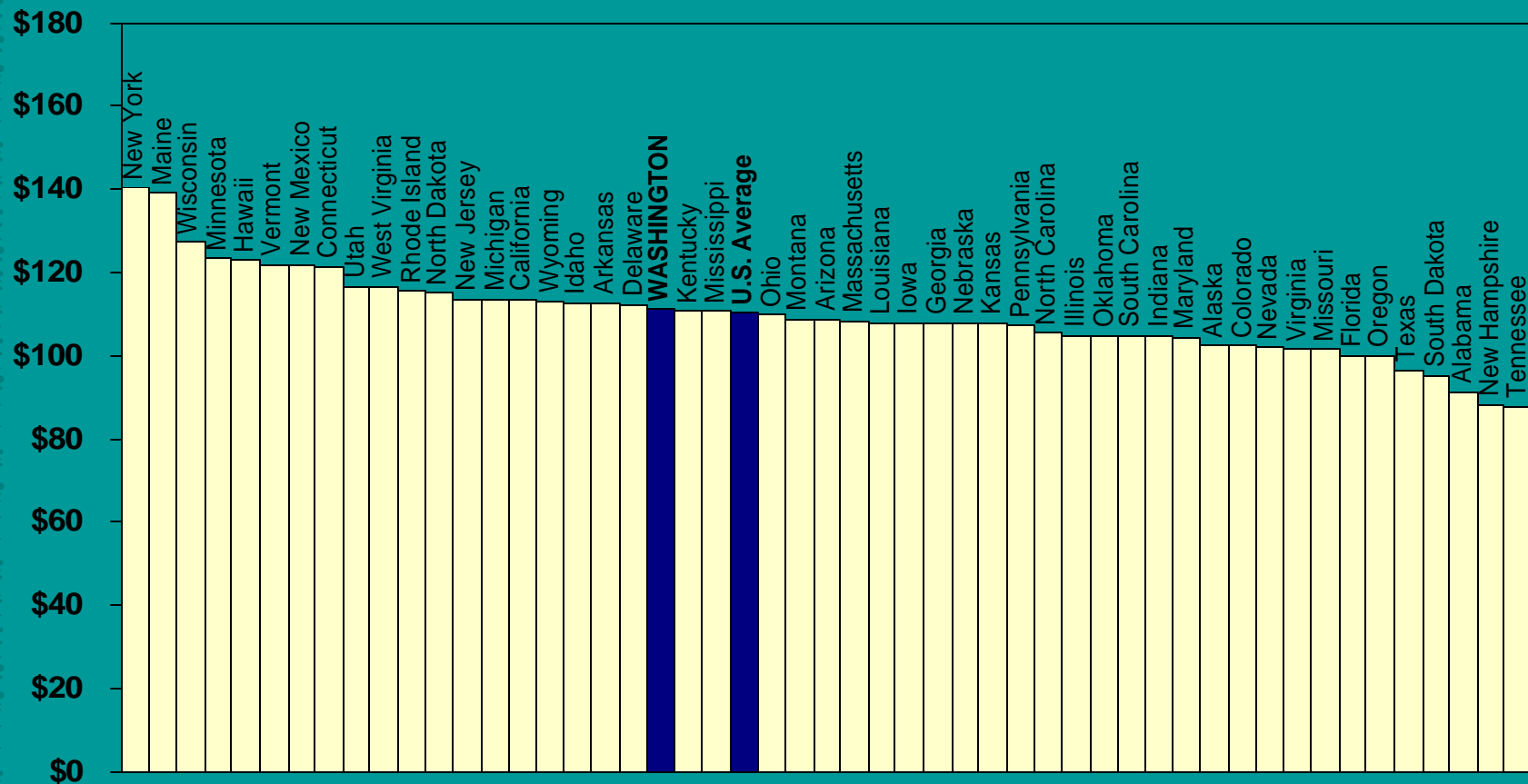


Washington ranks 13th among all states in per capita state and local taxes, slightly above the U.S. average. (Source: Comparative State and Local Taxes, 1999 DOR)



Washington ranks 20th among all states in state and local taxes per \$1,000 of personal income.

(Source: Comparative State and Local Taxes, 1999 DOR)



Washington's personal income ranking has varied considerably over time.

(Source: Comparative State and Local Taxes, 1999 DOR)

